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From: Schuller, Jennifer
Sent: Thur 9/29/2016 2:51:32 PM
Subject: FW: article

fyi

Thanks,

Jennifer

Jennifer Schuller

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From: Matsumoto, Kimi
Sent: Thursday, September 29, 2016 8:37 AM
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Subject: article

ND AG Asks Dakota Access To Explain Land Buy Near Pipeline

Share us on: By **Andrew Westney**

Law360, New York (September 28, 2016, 8:04 PM EDT) -- The North Dakota Attorney General's Office on Tuesday gave the developer of the controversial Dakota Access pipeline 30 days to describe how the company plans to use land it reportedly bought

around the pipeline's path in North Dakota, saying the purchase could run afoul of a state law limiting corporate ownership of farmland.

A paralegal in the office of North Dakota Attorney General Wayne Stenejem said in a letter to Dakota Access LLC dated Tuesday that she had become aware that the company "may have acquired land used for farming or ranching" in Morton County on Sept. 20. That purchase could violate a state law that bars corporations and limited liability companies from owning or leasing farm or ranch land, according to the letter.

The paralegal asked Dakota Access to call or send a letter to the attorney general's office stating what the company plans to use the land for, and if that use would meet any exception to the law, such as being used for business purposes.

"Our office needs to confirm what the land is used for and whether it meets any of the exceptions ... so that we may file this in our inactive files," according to the letter.

On Sept. 20, Energy Transfer Partners LP unit Dakota Access bought about 6,000 acres of private ranch land in North Dakota around the portion of the pipeline that runs near the Standing Rock Sioux tribe's reservation, according to a Sept. 23 report in the Bismarck Tribune.

The Standing Rock reservation continues to be the site of high-profile protests against the project, as the tribe gears up for an Oct. 5 hearing to ask a D.C. Circuit panel to consider the tribe's emergency motion for an injunction on pipeline construction at Lake Oahe, less than a mile north of the tribe's reservation. On Sept. 19, the circuit court granted the tribe's bid for a temporary halt on construction on 20 miles on either side of Lake Oahe to give the court more time to hear the tribe's case.

An attorney interviewed for the Bismarck Tribune story said that state law lets corporations own land needed for business development but that Dakota Access' purchase of the land fell outside that exception to the law, and said the attorney general should investigate the deal.

A corporation or limited liability company that is found to have violated the state's corporate farming statute must divest itself of the purchased land within a year and can be fined as much as \$100,000, according to the letter from the attorney general's office.

Dakota Access will have until Oct. 27 to respond to the office's request.

A representative for Dakota Access did not immediately respond to a request for comment on Wednesday.

Energy Transfer Partners LP Chairman and CEO Kelcy Warren said in a Sept. 13 statement that the company intends to finish the \$3.8 billion pipeline, despite the federal government's Sept. 9 decision to pause construction at a site in North Dakota amid opposition from the Standing Rock Sioux tribe and others.

--Additional reporting by Stan Parker, Dani Kass and Michael Macagnone. Editing by Stephen Berg.

Kimi Matsumoto

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